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COVER NOTE

From:	Mr Günther OETTINGER, Member of the European Commission
date of receipt:	25 February 2019
To:	Mr Eugen Orlando TEODOROVICI, President of the Council of the European Union

Subject:	Proposal for transfer of appropriations No DEC 02/2019 within Section III - Commission - of the general budget for 2019
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Delegations will find attached document Commission document DEC 02/2019.

Encl.: DEC 02/2019



BRUSSELS, 25/02/2019

GENERAL BUDGET - 2019
SECTION III - COMMISSION TITLES: 22, 23, 40

TRANSFER OF APPROPRIATIONS N° DEC 02/2019

FROM

CHAPTER - 2202 Enlargement process and strategy

ITEM - 22 02 03 02 Support for economic, social and territorial development and related progressive alignment with the Union acquis	Payments	-64 000 000,00
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CHAPTER - 4002 Reserves for financial interventions

ARTICLE - 40 02 42 Emergency aid reserve	Commitments	-45 897 884,00
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ARTICLE - 40 02 42 Emergency aid reserve (Approp carried over to commit upto 31/12)	Commitments	-34 102 116,00
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TO

CHAPTER - 2302 Humanitarian aid, food assistance and disaster preparedness

ARTICLE - 23 02 01 Delivery of rapid, effective and needs-based humanitarian aid and food assistance (Approp carried over to commit upto 31/12)	Commitments	34 102 116,00
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ARTICLE - 23 02 01 Delivery of rapid, effective and needs-based humanitarian aid and food assistance	Commitments	45 897 884,00
	Payments	64 000 000,00

I. DECREASE

I.1

a) Heading

22 02 03 02 - Support for economic, social and territorial development and related progressive alignment with the Union acquis

b) Figures at 21/02/2019

	Payments
1 Appropriations in budget (Initial Budget + AB)	678 080 653,00
2 Transfers	0,00
3 Total appropriations for the year (1+2)	678 080 653,00
4 Appropriations already used	6 829 719,53
5 Appropriations available (3-4)	671 250 933,47
6 Decrease proposed	64 000 000,00
7 Total appropriations up to year end (5-6)	607 250 933,47
8 Decrease as percentage of appropriations in budget (6/1)	9,44 %
9 Decrease, as a percentage of the final appropriations for the year, in the sum of transfers referred to in Article 30(1)(b) of the Financial Regulation	n/a

c) Receipts arising from recovery (carried over from previous year)

	Payments
1 Appropriations available at start of the year	0,00
2 Appropriations available on 21/02/2019	0,00
3 Implementation rate [(1-2)/1]	n/a

d) Detailed grounds for the decrease

Due to delays in the process for a continuation of the direct grant in the field of healthcare, the related payments will be postponed to 2020. Therefore, the initial payment forecast made in spring 2018 for the draft budget 2019 has been revised and EUR 128,0 million of payment appropriations can be made available.

I.2

a) Heading

40 02 42 - Emergency aid reserve

b) Figures at 21/02/2019

	Commitments
1 Appropriations in budget (Initial Budget + AB)	351 500 000,00
2 Transfers	0,00
3 Total appropriations for the year (1+2)	351 500 000,00
4 Appropriations already used	0,00
5 Appropriations available (3-4)	351 500 000,00
6 Decrease proposed	45 897 884,00
7 Total appropriations up to year end (5-6)	305 602 116,00
8 Decrease as percentage of appropriations in budget (6/1)	13,06 %
9 Decrease, as a percentage of the final appropriations for the year, in the sum of transfers referred to in Article 30(1)(b) of the Financial Regulation	n/a

c) Receipts arising from recovery (carried over from previous year)

	Commitments
1 Appropriations available at start of the year	0,00
2 Appropriations available on 21/02/2019	0,00
3 Implementation rate [(1-2)/1]	n/a

d) Detailed grounds for the decrease

According to article 9 of the Multiannual Financial Framework the Emergency Aid Reserve (EAR) is intended to allow for a rapid response to specific aid requirements of third countries following events which could not be foreseen when the budget was established; first and foremost for humanitarian operations, but also for civil crisis management and protection, and situations of particular pressure resulting from migratory flows at the Union's external borders, where circumstances so require.

I.3

a) Heading

40 02 42 - Emergency aid reserve (Approp carried over to commit upto 31/12)

b) Figures at 21/02/2019

	Commitments
1 Appropriations in budget (Approp carried over to commit upto 31/12)	34 102 116,00
2 Transfers	0,00
3 Total appropriations for the year (1+2)	34 102 116,00
4 Appropriations already used	0,00
5 Appropriations available (3-4)	34 102 116,00
6 Decrease proposed	34 102 116,00
7 Total appropriations up to year end (5-6)	0,00
8 Decrease as percentage of appropriations in budget (6/1)	100,00 %
9 Decrease, as a percentage of the final appropriations for the year, in the sum of transfers referred to in Article 30(1)(b) of the Financial Regulation	n/a

c) Receipts arising from recovery (carried over from previous year)

	Commitments
1 Appropriations available at start of the year	0,00
2 Appropriations available on 21/02/2019	0,00
3 Implementation rate [(1-2)/1]	n/a

d) Detailed grounds for the decrease

According to article 9 of the Multiannual Financial Framework the Emergency Aid Reserve (EAR) is intended to allow for a rapid response to specific aid requirements of third countries following events which could not be foreseen when the budget was established; first and foremost for humanitarian operations, but also for civil crisis management and protection, and situations of particular pressure resulting from migratory flows at the Union's external borders, where circumstances so require.

II. INCREASE

II.1

a) Heading

23 02 01 - Delivery of rapid, effective and needs-based humanitarian aid and food assistance (Approp carried over to commit upto 31/12)

b) Figures at 21/02/2019

	Commitments
1 Appropriations in budget (Approp carried over to commit upto 31/12)	0,00
2 Transfers	0,00
3 Total appropriations for the year (1+2)	0,00
4 Appropriations already used	0,00
5 Appropriations available (3-4)	0,00
6 Increase requested	34 102 116,00
7 Total appropriations up to year end (5+6)	34 102 116,00
8 Increase as percentage of appropriations in budget (6/1)	n/a
9 Increase, as a percentage of the final appropriations for the year, in the sum of transfers referred to in Article 30(1)(b) of the Financial Regulation	n/a

c) Receipts arising from recovery (carried over from previous year)

	Commitments
1 Appropriations available at start of the year	93 908,14
2 Appropriations available on 21/02/2019	28 001,14
3 Implementation rate $[(1-2)/1]$	70,18 %

d) Detailed grounds for the increase

Yemen is today the world's worst humanitarian crisis and according to the latest figures released in January 2019 continues to deteriorate. The total population in need of assistance is now 24,1 million (a 9% increase in the past year). Furthermore, the pace of deterioration is unprecedented: the number of people in acute need of assistance increased by 27% in the past year up to 14,3 million. At least 238 000 Yemenis are already suffering from famine according to the Integrated Food Security Phase Classification, while more than half of the country's 333 districts are now on the brink of famine.

Given these increasing needs, the Yemen Humanitarian Response Plan is likely to reach USD 4,175 billion which represents an increase of 41% compared to 2018. This is largely driven by a massive increase in food security needs, where the intension is to cover up to 12 million people per month compared to the current 8 million people.

In view of this unprecedented scale of the needs, EUR 80,0 million in commitment and EUR 64,0 million in payment appropriations is requested, in addition to the EUR 35,0 million already programmed for this crisis in 2018.

As of 15 February, the overall implementation rate of commitment appropriations of the humanitarian aid chapter 23 02 was at 93,3% of available appropriations, whereas the implementation in payment appropriations was at 4,9%.

The Operational Reserve for Humanitarian aid is expected to be used during the first semester of the year to cater for other humanitarian crises or sudden onset disasters.

The Commission has identified and proposes the redeployment of EUR 64,0 million in payment appropriations from the Instrument for Pre-accession (IPA). The Commission therefore requests the mobilisation of the Emergency Aid Reserve for EUR 80,0 million in commitment appropriations, of which EUR 34,1 million from the reserve carried-over.

II.2

a) Heading

23 02 01 - Delivery of rapid, effective and needs-based humanitarian aid and food assistance

b) Figures at 21/02/2019

	Commitments	Payments
1 Appropriations in budget (Initial Budget + AB)	1 592 271 335,00	1 540 690 000,00
2 Transfers	0,00	-141 475,00
3 Total appropriations for the year (1+2)	1 592 271 335,00	1 540 548 525,00
4 Appropriations already used	1 211 530 000,00	62 202 294,94
5 Appropriations available (3-4)	380 741 335,00	1 478 346 230,06
6 Increase requested	45 897 884,00	64 000 000,00
7 Total appropriations up to year end (5+6)	426 639 219,00	1 542 346 230,06
8 Increase as percentage of appropriations in budget (6/1)	2,88 %	4,15 %
9 Increase, as a percentage of the final appropriations for the year, in the sum of transfers referred to in Article 30(1)(b) of the Financial Regulation	n/a	n/a

c) Receipts arising from recovery (carried over from previous year)

	Commitments	Payments
1 Appropriations available at start of the year	93 908,14	3 617 155,06
2 Appropriations available on 21/02/2019	28 001,14	294 094,98
3 Implementation rate [(1-2)/1]	70,18 %	91,87 %

d) Detailed grounds for the increase

Yemen is today the world's worst humanitarian crisis and according to the latest figures released in January 2019 continues to deteriorate. The total population in need of assistance is now 24,1 million (a 9% increase in the past year). Furthermore, the pace of deterioration is unprecedented: the number of people in acute need of assistance increased by 27% in the past year up to 14,3 million. At least 238 000 Yemenis are already suffering from famine according to the Integrated Food Security Phase Classification, while more than half of the country's 333 districts are now on the brink of famine.

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ANNEX

COMMISSION TRANSFER PROPOSALS RELATED TO THE EMERGENCY AID RESERVE IN 2019

The table below shows the transfer proposals transmitted to the Budgetary Authority to date during 2019 which relate to the Emergency Aid Reserve (EAR), and the remaining amount of the EAR reserve following the approval of these proposals.

Transfer Ref	Content	Commitment Appropriations from Reserve carried-over (EUR)	Commitment Appropriations from 2019 Reserve (EUR)	Payment Appropriations from 2019 Reserve (EUR)
	Initial appropriations	34.102.116	351.500.000	351.500.000
DEC 02	Mobilisation of the EAR for additional humanitarian aid for Yemen	34.102.116	45.897.884	
DEC 03	Mobilisation of the EAR for additional humanitarian aid for Venezuela		50.000.000	
DEC 04	Mobilisation of the EAR for additional humanitarian aid for South Sudan		30.000.000	
	Total of Proposals	34.102.116	125.897.884	0
	Remainder	0	225.602.116	351.500.000
	Total remainder of commitment appropriations	225.602.116		